



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/083,445	10/19/2001	C. Todd Praisner	WRKS:005	8322

7590 05/21/2007
O'KEEFE, EGAN & PETERMAN, L.L.P.
Building C, Suite 200
1101 Capital of Texas Highway South
Austin, TX 78746

EXAMINER

LIVERSEDGE, JENNIFER L

ART UNIT	PAPER NUMBER
----------	--------------

3692

MAIL DATE	DELIVERY MODE
-----------	---------------

05/21/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/083,445

Applicant(s)

PRAISNER ET AL.

Examiner

Jennifer Liversedge

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 April 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-17, 19-22, 24-32 and 34-78 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-17, 19-22, 24-32 and 34-78 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date <u>5/3/2007</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Amendment

This Office Action is responsive to Applicant's amendment and request for continued examination of Application 10/083,445 filed on April 19, 2007.

The amendment contains original claims: 2-5, 7, 10-16, 20-21, 24, 26, 34-36, 41-44, 46, 49-55, 58-60, 62-63, 65, 68-69, 71, 73-75 and 78.

The amendment contains amended claims: 1, 6, 8, 17, 19, 22, 25, 29-31, 37, 40, 45, 47, 56-57, 61, 64 and 70.

The amendment contains previously presented claims: 9, 27-28, 32, 38-39, 48, 66-67, 72 and 76-77.

Claims 18, 23 and 33 have been canceled.

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 4/19/2007 has been entered.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

Art Unit: 3692

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-7, 9-10, 17, 19-22, 24, 29-30, 35-46, 48-49, 56-63, 68-69 and 74-78 are rejected under 35 U.S.C. 102(e) as being anticipated by US Patent No. 6,226,624 B1 to Watson et al. (further referred to as Watson).

Regarding claims 1 and 40, Watson discloses a method and system for dynamically managing payment card control settings (columns 1-18), comprising:

Receiving a purchase request from a requestor within a purchasing entity, the purchase request to be potentially associated with a purchase (column 5, lines 54-59; column 9, lines 47-51);

Processing the purchase request with respect to purchase policies for the purchasing entity (column 4, lines 9-22; column 5, lines 38-45; column 5, line 60 – column 6, line 7; column 9, lines 39-46; column 9, line 50 – column 10, line 5);

Approving the purchase request prior to the purchase to create an approved purchase request when the purchase policies are satisfied (column 4, lines 9-22; column 5, lines 38-45; column 5, line 60 – column 6, line 7; column 9, lines 39-46; column 9, line 50 – column 10, line 5);

Art Unit: 3692

Disapproving the purchase request prior to purchase when the purchase policies are not satisfied so that the purchase is not attempted (column 3, lines 61-63; column 4, lines 9-22);

Reviewing control settings at a card processor for a payment card associated with the approved purchase request when the purchase policies are satisfied (column 5, line 6 – column 6, line 13; column 8, lines 36-59; column 9, line 4 – column 10, line 5; column 10, lines 28-41; column 13, lines 5-21; column 18, lines 43-59);

Adjusting the control settings at the card processor for the payment card prior to the purchase so that the payment card may be used to make the purchase (column 5, lines 38-45; column 5, line 65 – column 6, line 7; column 9, lines 39-46; column 9, line 61 – column 10, line 5; column 18, lines 43-59), and

Resetting the control settings at the card processor for the payment card after the purchase (column 4, lines 9-22; column 5, lines 38-45; column 5, line 65 – column 6, line 7; column 9, lines 39-46; column 9, line 61 – column 10, line 5; column 10, lines 38-41; column 13, lines 5-21; column 18, lines 43-59; across these portions Watson discloses that a pre-authorization is required for a particular purchase and when the particular purchase has been made, or a time limit expires, the pre-authorization is no longer valid and the standard validation parameters again are applicable, the control settings are reset to their original state).

Regarding claims 17 and 56, Watson discloses a method and system for operating a server-based system to provide dynamic management of payment mechanisms (columns 1-18), comprising:

Receiving at one or more server systems a request from within a purchasing entity to make available certain purchasing capabilities with respect to a payment mechanism (column 5, lines 54-59; column 9, lines 47-51);

Communicating, prior to a purchase associated with the payment mechanism and only after approval of the purchase, from the one or more server systems to a payment card processing system at a payment card processor to obtain information representing approval parameters associated with the payment mechanism, the payment card processing system being a system that processes transactions initiated using the payment mechanism based upon approval parameters associated with the payment mechanism, the approval parameters being stored by the payment card processing system (column 5, line 5 – column 6, line 13; column 8, lines 36-59; column 9, line 4 – column 10, line 5; column 13, lines 5-21; column 18, lines 43-59);

Sending from one or more server systems to the payment card processing system adjustment instructions to adjust the approval parameters for the payment mechanism so that the purchasing capabilities are available prior to the purchase (column 5, line 38 – column 6, line 13; column 9, line 39 – column 10, line 5; column 18, lines 43-59); and

Sending from the one or more server systems to the payment card processing system adjustment instructions to reset the approval parameters at the card processor

after the purchase (column 4, lines 9-22; column 5, lines 38-45; column 5, line 65 – column 6, line 7; column 9, lines 39-46; column 9, line 61 – column 10, line 5; column 10, lines 38-41; column 13, lines 5-21; column 18, lines 43-59; across these portions Watson discloses that a pre-authorization is required for a particular purchase and when the particular purchase has been made, or a time limit expires, the pre-authorization is no longer valid and the standard validation parameters again are applicable, the control settings are reset to their original state).

Regarding claims 2, 29-30, 41 and 68-69, Watson discloses the method and system wherein the purchase policies are configurable through a network interface that provides a plurality of customizable purchasing management rules that reside on one or more server systems that comprises the Internet (column 5, lines 20-45; column 9, lines 15-46).

Regarding claims 3 and 42, Watson discloses the method and system wherein the customizable purchasing management rules comprise an ability to configure organization structures and approval chains (column 4, lines 9-22; column 5, line 38 – column 6, line 13; column 6, lines 44-53; column 8, lines 8-59; column 9, line 39 – column 10, line 5; column 18, lines 43-59).

Regarding claims 4 and 43, Watson discloses notifying an approver of a purchase request, if some action is required from the approver for the purchase request

Art Unit: 3692

to be approved, and allowing the approver to take the required action through a network accessible approval mechanism (column 10, line 65 – column 11, line 15).

Regarding claims 5 and 44, Watson discloses wherein the network comprises the Internet (column 9, lines 40-45).

Regarding claims 6 and 45, Watson discloses associating a payment card with an element within the purchasing entity, the element being the requestor, another person, a vehicle or a building (column 1, lines 32-51).

Regarding claims 7 and 46, Watson discloses wherein the received purchase request includes an identification of the payment card (column 5, line 54 – column 6, line 7; column 9, line 46 – column 10, line 5).

Regarding claims 9-10 and 48-49, Watson discloses generating a set of approval parameters for the approved purchase request and comparing the approval parameters with the control settings to determine what adjustments to make so that the purchase may be made with the payment card and where the control settings correspond to the approval parameters (column 5, line 65 – column 6, line 13; column 6, lines 44-53; column 8, lines 36-59; column 10, line 64 – column 11, line 14; column 13, lines 5-21).

Regarding claim 57, Watson discloses wherein the request comprises an approved purchase request related to one or more specific desired transactions, the one or more server systems being further configured to receive a purchase request from a requestor within the purchasing entity (column 5, lines 54-59; column 9, lines 47-51), to process the purchase request with respect to purchase policies for the purchasing entity (column 4, lines 9-22; column 5, lines 38-45; column 5, line 60 – column 6, line 7; column 9, lines 39-46; column 9, line 50 – column 10, line 5), to approve the purchase request if the purchase policies are satisfied (column 4, lines 9-22; column 5, lines 38-45; column 5, line 60 – column 6, line 7; column 9, lines 39-46; column 9, line 50 – column 10, line 5), and to generate the request based upon the purchase request (column 5, line 54 – column 6, line 7; column 9, line 47 – column 10, line 5).

Regarding claims 19 and 58, Watson discloses receiving transaction data associated with a transaction once completed using the payment mechanism and reconciling the transaction data with the purchase request (column 4, lines 23-30; column 10, lines 17-27; column 11, lines 41-51).

Regarding claims 20 and 59, Watson discloses wherein the request comprises a request to provide pre-approved purchasing authority for the payment mechanism and wherein the approval parameters are adjusted to provide this pre-approved purchasing authority (column 5, line 54 – column 6, line 7; column 9, line 47 – column 10, line 5; column 18, lines 43-59).

Regarding claims 21-22 and 60-61, Watson discloses receiving at the one or more server systems transaction data associated with a transaction once completed using the payment mechanism and synthesizing a purchase request based upon the transaction data, approving the purchase request if purchase policies are satisfied (column 5, line 54 – column 6, line 7; column 9, line 47 – column 10; column 11, lines 41-51).

Regarding claim 62, Watson discloses wherein the one or more server systems is further configured to send adjustment instructions to adjust the approval parameters to restore the pre-approval purchasing authority based upon an occurrence of one or more selected events after completion of the transaction (column 4, lines 9-22; column 5, lines 38-45; column 5, line 65 – column 6, line 7; column 9, lines 39-46; column 9, line 61 – column 10, line 5; column 10, lines 38-41; column 13, lines 5-21; column 18, lines 43-59; across these portions Watson discloses that a pre-authorization is required for a particular purchase and when the particular purchase has been made, or a time limit expires, the pre-authorization is no longer valid and the standard validation parameters again are applicable, the control settings are reset to their original state).

Regarding claims 24 and 63, Watson discloses wherein a plurality of requests are received with respect to a plurality of payment mechanisms, and wherein a plurality

of requests are associated with each payment mechanism (column 5, line 54 – column 6, line 7; column 9, line 47 – column 10).

Regarding claims 35 and 74, Watson discloses wherein the payment mechanism comprises a dynamic payment identifier (column 6, lines 18-30; column 10, lines 17-27; column 12, lines 23-30).

Regarding claims 36 and 75, Watson discloses wherein the payment mechanism further comprises a payment card having the dynamic payment identifier associated with it (column 5, line 65 – column 6, line 7; column 9, line 60 – column 10, line 5; column 10, lines 38-48).

Regarding claims 37-39 and 76-78, Watson discloses wherein the request comprises a purchase request that has been approved based upon entity purchasing policies, wherein the approval parameters comprise a set of dynamic approval parameters associated with an approved purchase request, and wherein the payment card processing system stores the set of dynamic approval parameters for the approved purchase request (column 5, line 5 – column 6, line 13; column 9, line 5 – column 10, line 5; column 10, line 64 – column 11, line 13; column 13, lines 1-21; column 18, lines 43-59).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 8, 11-14 25-28, 31-32, 34, 47, 50-53 and 64-65 and 70-73 are rejected under 35 U.S.C. 103(a) as being unpatentable over Watson as applied to claims 1, 17, 40 and 56 above, and further in view of Applicant's Background Disclosure.

Regarding claims 8 and 47, Watson discloses credit limits and slot controls (page 5, lines 6-16). Watson does not disclose velocity controls. However, Applicant discloses that the use of velocity is a parameter associated with traditional purchasing cards. Therefore, the use of velocity parameters as a credit card control is admitted as being old and well known, and would be obvious to use with the current purchasing card as a means of using old and well known technology.

Regarding claims 13 and 52, Watson discloses a purchasing management system establishing accounts and making adjustments to those accounts as the need arises (column 5, lines 6-45). Watson does not disclose where the purchasing management system sends a request to the card processor requesting the status of the current settings prior to making adjustments. However, it would be obvious to one of ordinary skill in the art that if an account manager desired to make changes to an existing account but was unsure of current control settings of the account in question, that the account manager could contact the card processor and request this information. The motivation would be that account managers need access to account information in order to properly manage the account, be it changing limits, monitoring limits, etc.

Regarding claims 25 and 64, Watson discloses wherein the payment mechanism comprises a payment card with credit limits and slot controls where the one or more server systems comprise a purchasing management system (page 5, lines 6-45; page 8, lines 8-11; page 9, lines 4-50; page 10, lines 43-48). Watson does not disclose velocity controls. However, Applicant discloses that the use of velocity is a parameter associated with traditional purchasing cards. Therefore, the use of velocity parameters as a credit card control is admitted as being old and well known, and would be obvious to use with the current purchasing card as a means of using old and well known technology.

Regarding claims 11-12, 32, 50-51 and 71-72, Watson discloses comparing parameters of an attempted purchase transaction with the control settings and authorizing the purchase transaction if the parameters are allowed by the control settings, the comparing and authorizing steps being conducted by the card processor where the vendor communicates the parameters of the attempted purchase transaction to the card processor for authorization and the authorization is sent back to the vendor (column 8, lines 36-59; column 10, line 65 – column 11, line 14; column 13, lines 5-21).

Regarding claims 14, 26, 53 and 65, Watson discloses at least one intermediate system processes communications between the purchasing management system and the card processor (column 5, lines 38-53).

Regarding claims 31 and 70, Watson discloses associating a payment card with an element within the purchasing entity, the element being the requestor, another person, a vehicle or a building (column 1, lines 32-51).

Regarding claims 34 and 73, Watson discloses wherein the control settings comprise a vendor identity code and a maximum single transaction limit (column 1, lines 65-67; column 5, line 54 – column 6, line 7; column 9, line 47 – column 10).

Claims 15-16, 27-28, 54-55 and 66-67 are rejected under 35 U.S.C. 103(a) as being unpatentable over Watson as applied to claims 1, 17, 40 and 56 above, and

Art Unit: 3692

further in view of "Industry Momentum Builds for SOCKS v5 Protocol" in PR Newswire (further referred to as PR Newswire).

Regarding claims 15-16, 27-28, 54-55 and 66-67, Watson does not disclose a secure proxy system where communications are processed in recognized formats through an interface system. However, PR Newswire discloses a secure proxy system where communications are processed in recognized formats through an interface system (page 2). It would be obvious to one of ordinary skill in the art to adapt the use of a secure proxy for information exchange in recognizable formats as disclosed by PR Newswire with the system of Internet information sharing as disclosed by Watson. The motivation would be to provide Internet security when sharing sensitive account information between organizations.

Response to Arguments

Applicant's arguments with respect to claims 1-17, 19-22, 24-32, 34-78 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

Any inquiry concerning this communication should be directed to Jennifer Liversedge whose telephone number is 571-272-3167. The examiner can normally be reached on Monday – Friday, 8:30 – 5 PM.

Art Unit: 3692

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached at 571-272-6777. The fax number for the organization where the application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Jennifer Liversedge

Examiner

Art Unit 3692

Handwritten signature of Andrew J. Fischer in cursive, followed by the date 5/13/07.

ANDREW J. FISCHER
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600